

## EVERGREEN ♦ EAST HILLS VISION STRATEGY

The fifth meeting of the Evergreen East Hills Vision Strategy task force was held on December 14, 2005 at the San José City Hall, 200 East Santa Clara Street, Wing 118, San José. Andrew Crabtree called the session to order at 6:30 p.m. The meeting adjourned at 8:50 p.m.

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### **Task force Members Present:**

Chair Dave Cortese, Vice-Chair Nora Campos, Madison Nguyen, Sylvia Alvarez, Jenny Chang, Chirs Corpus, Steven Cox, Nancy Dellamattera, Steve Dunn, Joe Head, Mike Hill, Carlos DaSilva, Lou Kvitek, Bob Levy, Maria Lopez, Gordon Lund, Mark Milioto, Al Munoz, Khanh Nguyen, Melanie Richardson, Ike White, Homing Yip, J. Manuel Herrera, Dave Zenker, Jim Zito

### **Members of the Public Present:**

Ruben Dominguez, José Aranda, Alan Garofalo, Linda Montagano, Mark Lazzarini, Quynh Tran, Tony Seebach, Katja Irvin, George Reilly, Scott Karstettler, Kelly Erardi, Carolyn Bushnell, Jason Xu, Rhonda Garcia, Leola Watkins, David Snively, Andrianna Snively, Ellie Glass, C. Perollo, Long Chau, Andre Hunt, Marty Shelton, Kulwant Sidhu, Shawna Sanders, Nasir Gill

### **Developer Community Present:**

Menka Sethi, Patrick Spillane, Gretchen Sauer, Tom Armstrong, Bo Radanovich, Gerry DeYoung, Mike Keaney, Myron Crawford, James Lindsay, Jim Eller, Terry Pries

### **Staff Present:**

Laurel Prevetti, Andrew Crabtree, John Baty, Dave Mitchell, Tom Borden, Lisa Taitano, Manuel Pineda, Winnie Pagan

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### **Introductions:**

Andrew Crabtree, with the Planning, Building, and Code Enforcement (PBCE) Department, welcomed everyone to the task force meeting.

Chair Dave Cortese introduced Council member Madison Nguyen. Council member Nguyen introduced a new task force member, Carlos DaSilva. Carlos is a long-time District 7 activist and co-chair of the West Evergreen Neighborhood Advisory Committee (NAC).

Andrew provided an overview of the meeting agenda.

### **Acceptance of November 16, 2005 Meeting Summary:**

Copies of the summary of the orientation meeting held on November 16, 2005 were provided to the task force members.

The task force provided the following comment:

<b>Comment/Question</b>	<b>Response/Answer</b>
Does not think summary captured concerns regarding the lack of industrial jobs.	Noted. (11/16 summary updated and posted on the EEHVS website).

The task force unanimously accepted the meeting summary for the November 16, 2005 Task Force meeting with the understanding that Jim Zito's and Bob Levy's comments will be incorporated into the final summary.

#### **Outreach and Work Plan Update:**

Laurel Prevetti, Deputy Director of the PBCE Department, reviewed the [revised EEHVS work plan](#), as modified on December 8, 2005. Additional meeting dates were proposed in order for Council to consider the EEHVS by June 2006. The February 1, 2005 task force meeting will change due to schedule conflicts.

The task force provided the following questions and comments, with responses from staff:

<b>Comment/Question</b>	<b>Response/Answer</b>
Concerned that there may be schedule conflicts with the additional meeting dates. Recommended asking Council to extend the EEHVS process to August or September 2006.	This can be discussed at a progress report to the City Council.
It may be aggressive to ask Task Force and community members to attend additional meetings. Concerned about attendance.	Noted.
Would like to keep the original schedule as much as possible. If needed, can add more meetings in the future.	Noted.

**Comment/Question****Response/Answer**

Recommended discussing one opportunity site in its entirety before moving onto other opportunity sites. Can reach a conclusion once all four opportunity sites have been discussed.

Noted.

Cannot determine the recommended number of residential units until the EIR and traffic study has been completed in February 2006. Staff should determine by February as to when all three components of the "three legged stool" can be discussed at once. The three components should always be discussed together.

At the February 15 Task Force meeting, can decide whether additional discussion is needed. Will add the amenities package as a discussion topic at the February meeting. (February 15<sup>th</sup> Task Force meeting canceled. Saturday, February 25<sup>th</sup> added as a Task Force workshop meeting)

Recommended discussing the three components of the "three legged stool" during a 4-6 hour Saturday meeting.

Staff will work with Council to schedule a Saturday meeting. (Meeting scheduled for Saturday, February 25<sup>th</sup>)

Need to discuss schools as a fourth component.

Staff will receive data from the Evergreen Elementary School District in March.

The task force has not had a chance to listen to Evergreen Elementary School District's concerns. Concerned there will not be a follow-up meeting after March to discuss school issues.

School issues will be available when the district provides its data.

When will the Task Force resolve the shared schools and parks issue? How will the task force reach a consensus?

The Task Force may recommend multiple alternatives to Council as a menu of options for how to develop the opportunity sites.

**Comment/Question****Response/Answer**

Has staff had discussions with the school districts regarding their visions?

Staff will work with the school districts.

East Side Union High School District will provide information.

ESUHSD is holding a facilities planning roundtable on February 13<sup>th</sup>.

Is the economic incentive put forth by the development community sufficient to provide public benefits?  
Concerned about fiscal balance.  
Concerned that the proposal does not include a new high school.

The development community will be active in the discussion regarding the fiscal efficiency of the high school.

How can LOS be brought to 'D'?

**Trade-off Analysis: Bob Spencer, MuniFinancial**

Bob Spencer, with MuniFinancial, provided an [introduction](#) to the methodology and key assumptions for the trade-off analysis currently underway. The trade-off analysis will provide a comparison of the revenue generating capacity for various EEHVS development scenarios and provide information on the potential impacts of policy decisions under consideration by the Task Force. The results will be available at the January 18, 2006 task force meeting. Bob provided an overview of the trade-off analysis, land use policy levers, community facilities district (CFD) bonding capacity, home value assumptions, special tax and financing assumptions, and the schedule.

The task force provided the following questions and comments, with responses from Bob Spencer and staff.

**Comment/Question****Response/Answer**

Why is the Task Force discussing the trade-off analysis today rather than at the January 2006 meeting?

Today's presentation is to introduce the key assumptions for the trade-off analysis currently underway. Results of the trade-off analysis will be discussed at the January meeting.

<b>Comment/Question</b>	<b>Response/Answer</b>
Surprised talking about CFD. Concerned that homeowners will now bear the burden.	A CFD as a potential financing mechanism has been discussed at previous Task Force and City Council meetings.
Assumed that infrastructure improvements and amenities would be financed by developers, not a CFD.	Noted.
CFDs provide upfront infrastructure financing, versus helter skelter financing.	Noted.
Why are we using the upfront financing strategy versus “paying as you go?”	There are fewer problems with upfront financing.
Is it possible to do a hybrid approach by combining the upfront financing strategy with “paying as you go?”	The City is currently reviewing financing options for the Evergreen East Hills Vision Strategy. The financing plan may incorporate pay-as-you-go financing such as impact fees, special tax bonds, and developer contributions. The challenge with the EEHVS is that the first infrastructure investments that need to occur are the Highway 101 improvements. They are currently estimated to cost over \$81 million. The funds need to be on hand at the onset of construction of the project.
Do property owners in the CFD have an option to finance upfront or “pay as you go?”	Typically, CFDs can be structured to allow property owners the option to prepay their special tax lien at close of escrow remain a participant of the long-term financing of the bonds.
How will this impact properties not located within the opportunity sites?	Opportunity sites will have a CFD. Non-opportunity sites will have traffic impact fees.
Which financing method was used for the Evergreen Specific Plan?	The ESP used a contingent liens approach.

**Comment/Question****Response/Answer**

The task force assumed that the EEHVS was using the old approach.

The only way to get \$81 million needed for highway 101 improvements is through upfront financing.

Are the assumptions using current home values even though the EEHVS will take years to complete?

The assumptions use today's values.

Concerned that the existing tax rate is 1.32 percent, but the effective tax rate is 1.75 percent.

Only developed properties will pay this tax. Two percent is a common CFD effective tax rate statewide. This may be high for San Jose, but 1.75 percent is a reasonable effective tax rate.

How will affordable housing affect the bonding capacity?

Affordable housing reduces the level of available bonding.

Re: lump sum tax upfront. Why lump together?

Improvements and amenities can be funded through a combination of developer payments, CFD bonds, and impact fees.

How will maintenance costs be addressed?

The City continues to evaluate maintenance needs for the improvements proposed on the amenities list. As part of the overall financing plan, staff will identify the needs and make recommendations. Some examples could include use of a maintenance district, a CFD for maintenance like that used in the Evergreen Specific Plan, shared/use maintenance agreements or other proposals.

Andrew indicated that the Task Force could submit any additional questions for staff to address.

**Proposed Transportation Investments and Amenities Discussion: John Baty, City of San Jose**

John Baty reviewed a [map of existing community features](#), a list and [map](#) of proposed/potential [transportation investments](#) and a list and [map](#) of potential

[community amenities](#) for EEHVS that could be funded through the implementation of the Evergreen Development Policy.

To include additional items on the amenities list for EIR analysis, please submit suggestions by January 9, 2006.

A member of the public expressed the following concerns:

<b>Comment/Question</b>	<b>Response/Answer</b>
January 9, 2006 is the deadline for submitting recommendations for items to be considered on the amenities list. Concerned that there will not be community outreach prior to this deadline. Concerned that the community will not have the opportunity to provide input.	The community will have an opportunity to provide input.

The task force provided the following questions and comments, with responses from staff:

<b>Comment/Question</b>	<b>Response/Answer</b>
Need to explain the process and provide opportunities for community input.	A Pleasant Hills Golf Course community meeting will be scheduled mid-January 2006.
Concerned about the complexity of the issues. Concerned that all task force members must reach a consensus before making recommendations to Council. Recommended that staff analyze different development scenarios offline. Recommended that the January 9, 2006 meeting be used for brainstorming ideas, not prioritizing.	Consensus may not be achievable and the Task Force may have multiple recommendations.
The EEHVS looks beyond current budget problems to meet the community's amenity needs. Need to discuss issues at once.	Noted.

**Comment/Question****Response/Answer**

Does the amenities list move the city closer or further away from the goal of having 3.5 acres of parks per 1,000 population?

Overall, the amenities list moves the city closer to its goal. District 8 has met this goal.

Where will pocket parks be located?

The EIR can include general recommendations.

Would like to add the Thompson Creek trail to the amenities list. Walking is the number one recreational activity.

The Thompson Creek trail is on the amenities list.

How can a library cost \$4 million when the Thompson Creek costs \$16.9 million?

Concerned about operational and maintenance costs.

Noted.

Having a hard time determining where the level of service falls on the priority list.

"Bike Lanes for Appropriate Corridors" should be on the amenities list, not the list of proposed/potential infrastructure investments.

Noted.



**Comment/Question****Response/Answer**

The [West Evergreen SNI/NAC's](#) number one priority is to have a 30,000 square foot community/youth center located in the southwest corner of the Arcadia property. The SNI/NAC recommended that there be funding for open space for the OB Whaley joint use proposal. The SNI/NAC would like a sidewalk on the north side of Aborn Road between Public Storage and Towers Lane, a trail connecting Coyote and Thompson Creek trails; and an underground Barberry Lane ditch. The SNI/NAC indicated that an elementary school located within the SNI area requires 6-10 acres.

Noted. The City is amenable to locating the proposed community center in the southwest corner of the Arcadia property adjacent to the existing Meadowfair park.

**Public Comments****Comment/Question****Response/Answer**

Three Little League fields were originally proposed for the Legacy site, but new configuration proposes alternate use of two baseball fields as a soccer field. Prefers having baseball and soccer fields separate.

Noted.

Shady Oaks currently only has soccer fields. Soccer damages fields. Their Little League does not have a home field and is currently maintaining Evergreen Elementary School District's fields. They would like a permanent Little League field.

Noted.

Need to address education and traffic. There are existing traffic problems without adding new residential units.

Noted.

**Comment/Question****Response/Answer**

The amenities list was never presented to the Pleasant Hills Golf Club community. Need community outreach to determine what is good for District 8.

A community workshop was held with the Pleasant Hills community on January 17<sup>th</sup>, 2006.

Questioning whose priorities are being addressed. Need to address education and traffic. Public forums are overdue. Need to question who bears the burden of risk? Need to ask whether this process builds trust. Will the EEHVS unite or divide the community?

Thanked the task force for its efforts to improve Evergreen's quality of life. Concerned about traffic. Concerned that not enough sites are reserved for schools and parks.

Noted.

What constitutes a large residential lot, especially when comparing home sales? Fowler Creek consists of dirt, not a community center, etc. Do not let staff concerns amenities off the table.

There is no definition of "large residential lot". In relative terms, based on the developer submitted plans, they are defining large lots as between 4,000 and 8,000 square foot lots for single-family detached units.

The way the planning process is going, does not know how long she wants to remain a District 8 resident. Concerned about the high number of residential units. Skeptical about implementing items on the amenities list. We need to think about the future.

Noted.

Concerned about the high number of residential units, schools, traffic, and Fowler Creek. Schools are currently overcrowded.

Noted.

Recommended changing the task force meeting from 6:30-8:30 p.m. to 7-9 p.m.

Noted.

**Comment/Question****Response/Answer**

Concerned that developers previously committed to a developers' amenities list, but staff has proposed a new amenities list. Relocating amenities changes dynamics. Legacy site previously committed to having three baseball fields for exclusive baseball use. On the amenities list, need to clarify the sports facilities and other park improvements proposed on the Berg site. Need to address schools, parks, and traffic. Indication that home values increase, but interest rates also increase.

Noted.

Concerned that traffic problems will not be addressed even with the increase in the number of residential units. Why has the Fowler Creek park not been built-out yet? Need to reserve school sites. Need to address schools and parks before Little League fields.

What defines what is or is not included in the EIR analysis?

The amenities list is based on the amount of available funds. Need to look at the amenities list as a whole package. It is not simple to tweak the amenities list.

Noted.

Would like to see before and after images of the proposed traffic improvements.

**Comment/Question****Response/Answer**

Yerba Buena and San Felipe **parks improvements** sound similar, but why are they two different items? Will school land be purchased with amenity funds? Why is the EEHVS funding for Fowler Creek Park when it should have been funded through ESP? The Pleasant Hills Golf Course site was added after the other three opportunities were discussed. Currently working on a date for community outreach.

They represent different improvements for the same park (Evergreen park).

It has not been decided whether funds that would have otherwise gone to pay for amenities can or should be used to purchase land for schools.

Phase I improvements at Fowler Creek park may be fully funded by funds from ESP.

(A community workshop was held with the Pleasant Hills community on January 17<sup>th</sup>, 2006.)

The task force provided additional questions and comments:

**Comment/Question****Response/Answer**

District 7 is concerned with the current traffic level of service and potential impacts.

Noted.

Need to consider [West Evergreen SNI/NAC's proposals](#).

All input will be considered.

Does VTA have capital to service this area?

**Adjourn**

The meeting was adjourned at approximately 9:00 p.m. The next Evergreen East Hills Vision Strategy task force meeting is scheduled for January 18, 2005 at 6:30 p.m. at the San José City Hall.